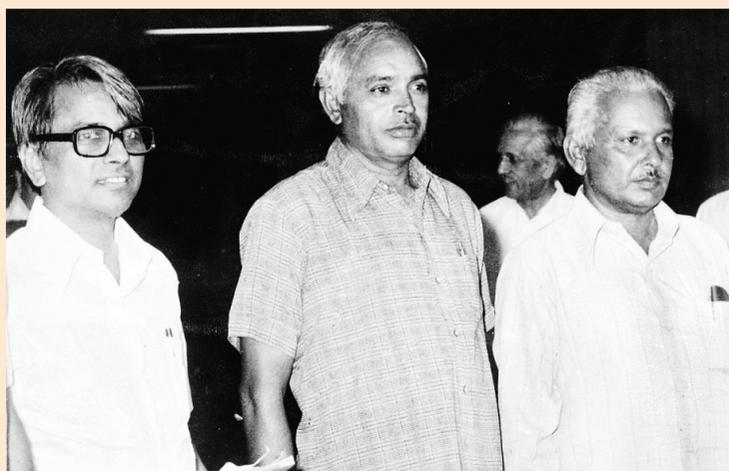


Dream catcher

Always on the move, even at 80 years of age, Jaiprakash Gaur of the Jaypee Group tells **Sukalp Sharma & Shailesh Dobhal** the fascinating story of how beginning with just ₹100 he carved out an empire worth crores



From left: Jaiprakash Gaur with business associates Dayanand Sharma and PN Pandey, in 1979



Jaiprakash Gaur (left) with RITES officials during a visit to the Rishikesh Barrage in 1979. The barrage was one of his first big projects

AMAN IS not old until regrets take the place of dreams. Legendary American actor John Barrymore could well have taken inspiration for these words from 80-year-old Jaiprakash Gaur. The tagline of his ₹18,000-crore conglomerate, Jaypee Group, says, 'No dream too big' and that's what Jaiprakash Gaur exemplifies. Many stories up his sleeve, his eyes have a glint as he narrates the dramatic tale of his journey from a young engineering graduate with ₹100 in his pocket back in 1950, to setting up the construction-to-power conglomerate that is Jaypee today.

"There was a spirit of entrepreneurship in me. I was willing to go and work wherever I could get a contract. After the 1965 war, roads were being constructed in the Rann of Kutchh, so I put in a tender there as well, and there I was, building a road in the country's western limit," says Gaur, at ease, with his legs stretched onto the table in front of the sofa. The days Gaur is remembering are early days of his career as a construction contractor, a job profile he chose himself after a seven-year stint in a government job, the irrigation department in UP, from 1951 to 1957, which he landed after completing his diploma in engineering from the then Roorkee University (now IIT Roorkee) in 1950.

Seven years of working on a big dam project in UP, getting first-hand experience of sophisticated American machinery and overseeing the work of numerous construction contractors were enough to get the entrepreneur inside him itching to do more. So he quit his government job and branched off as a civil contractor. "No one in the family supported that decision, except my father

and wife. And their nod mattered the most to me," he says. That was a different era, a different India, and Gaur wanted to script a larger story for himself, jumping at the opportunity in infrastructure development. He took the plunge, and the rest, as they say, is history.

Today, the Jaypee Group has interests in engineering and construction, power, cement, real estate, hospitality, and even sports. Gaur senior, who was succeeded by eldest son Manoj at the helm in 2006, opted out of the flagship company, Jaiprakash Associates Limited (JAL), board last year. But age hardly seems to be a consideration for him, as he still spends four-five hours on an average at the Jaypee headquarters in Noida. "My heart is always here. But I had to step down because I couldn't have done justice to the work and the position anymore. And besides, I wanted to concentrate on our educational endeavours," he says. However, he quips that he still keeps an eye on the business and has a finger on its pulse, while maintaining that he is more than satisfied with the second generation of the company's management. "Right now we are at ₹18,000 crore and within two years we'll touch ₹30,000 crore, and that too with whatever sectors we are in. I'm absolutely confident about it," he says.

And his assertions and confidence aren't without reason. Over the past five years, JAL has shown impressive growth with a sales CAGR of more than 32%. Sales have swollen manifold from ₹3,760.4 crore in 2006-07 to just a shade under ₹13,000 crore in the last financial year. "I am happy the way things are. We have created three big bases for our business—cement, power and townships. However, I can't say what will happen next. Now it really depends on the company's next generation, on what all they initiate. I believe if they continue with the work culture that we

JAI PRAKASH GAUR

Founder-chairman, Jaypee Group

DATE OF BIRTH: January 1, 1931

MARITAL STATUS: Married, with five children

EDUCATION:

Diploma in civil engineering from University of Roorkee (now IIT Roorkee)

AWARDS:

■ Lifetime Achievement Award conferred by the Builders' Association of India (2005)

■ Entrepreneur of Year Award for Infrastructure and Construction by Ernst & Young (2008)

■ Infrastructure Leader of the Year award at Essar Steel Infrastructure Excellence Awards 2010

■ Lifetime Achievement Award conferred by Merchants' Chamber of Uttar Pradesh (2010)

have developed and stay united, they'll definitely be successful," he says.

So how did he manage a smooth succession while many other big business houses are rife with hard-fought succession battles? "That is something that even I don't really know. Just that the value system of individuals running the company was such that there weren't any hassles. Five years ago I just issued a letter that I'm leaving on this date. I called a board meeting and asked them to select their team and their head. I did not myself participate in the process. And within one hour they chose Manoj as the chairman," he says.

Never without an anecdote, he remembers how after a 20-year stint as a contractor, he felt it was time for him to elevate his business to the next level. Jaiprakash Associates Private Limited was floated in 1979 and set foot in Iraq. "We got projects in Iraq. At first we got a ₹20-crore project and then a ₹200-

crore project in 1979. At that time, I had a balance sheet of ₹25 lakh. So IDBI officials, who used to clear such projects, asked me to explain how with a ₹25 lakh balance sheet was I hoping to bag a Rs 200-crore project and pay an interest-free guarantee of ₹20 crore? There were 10-12 people sitting there, including Reserve Bank of India and IDBI officials. I told them not to go by the ₹200-crore figure, but go by the quantity of work being undertaken. I was able to convince them that while cost of operations in Iraq might be 50% more than in India, the income is five times that in India," he tells us. With a minor condition that he'd first need to double the capital from ₹25 lakh to ₹50 lakh, which he managed easily by banking on company reserves, Gaur took the leap. "In those days, I used to spend 15 days in India and 15 days abroad, mostly Iraq, every month. I was also eyeing the Sardar Sarovar project in Gujarat and we finally bagged the project in 1985 as the lowest bidders," he says, pointing to a large picture of the completed Sardar Sarovar dam in his office.

Today, Jaypee Power is the biggest private sector producer of hydro power with 1,700 mw in operation. Jaiprakash Hydro Power Ltd was the first hydro power company in the country to be listed. Jaiprakash Power Ventures now has a portfolio of almost 13,000 mw, 60% of which is thermal based and 40% hydro based.

On being asked about the land acquisition controversy along the Noida-Agra Expressway, which is a Jaypee project, Gaur explains, "If it was only the expressway, then there wasn't any issue or any concern of a standoff. What was horribly wrong was the acquisition of the extra 1.8 lakh hectares along the expressway, which we had nothing to do with. The farmers could see that their land was being acquired at throwaway prices and sold to others at a premium. Peo-

ple think the Yamuna Expressway and Yamuna Authority is the same thing and that's why there was confusion in the media that Jaypee was involved in the land acquisition controversy. We can't go and explain it to everyone, so we prefer to remain silent. Time will clear the fog," he says.

What time and age have not eroded is his love for sports, particularly hockey, cricket and tennis. "I was a hockey player myself and captained the team at Roorkee in my days there. We are setting up a hockey academy too at our under-construction sports complex. I love watching cricket and tennis too," he says. And what about golf, considering Jaypee has been at the forefront of creating 'golf homes and townships'. "I don't watch golf, frankly because I can't understand much of it. But I am making golf courses all over the place," he quips. He doesn't even follow much of Formula One, though Jaypee is getting the coveted race to India.

But despite his success, he prefers to be called middle-class, recalling, "I've never wanted to be in the limelight and despite being a ₹18,000-crore company, people don't really know any of us as public personalities. Manoj and I were once coming from Mumbai to Delhi. So I asked the air hostess, 'akhbaar hoga?' and I was dressed in my kurta pyjama, so she thought I would only read a Hindi newspaper. She responded, 'We don't have a Hindi akhbaar.' So I told her, 'Give me a newspaper then,'" he bursts out laughing.

As we conclude our one-and-a-half hour interaction with Gaur, we can see the fire is still burning in his belly. "There's this Kalpasar project coming up in Gujarat. If it comes to us, I'll pursue it with the same zeal as I pursued projects 40 years ago. In those days, either I was on a train, a bus, a jeep or a plane; I was always on the move, chasing dreams." He still is...

